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DE RUEHV #0444/01 1581334
ZNR UUUUU ZZH
R 061334Z JUN 08
FM AMEMBASSY VILNIUS
TO RUEHC/SECSTATE WASHDC 2386
INFO RUEHZN/EUROPEAN POLITICAL COLLECTIVE

UNCLAS VILNIUS 000444

AMEMBASSY MINSK SENDS

SIPDIS

E.O. 12958: N/A

TAGS: PGOV PREL PHUM ECON ENRG BO

SUBJECT: BELARUS WEEKLY POL/ECON REPORT - June 6, 2008

¶1. The following are brief items of interest compiled by Embassy Minsk.

TABLE OF CONTENTS

Civil Society

- Gomel Opposition Activist Obliged to Pay Income Tax (para. 2)
- Prominent Opposition Activist Jailed (para. 3)
- Opposition Leader Denied Travel Ban Appeal (para. 4)
- Soligorsk Malady Front Leader Dismissed From School (para. 5)
- Political Prisoner Denied Jail Sentence Appeal (para. 6)

Domestic Economy

- Break-Down of Average Belarusian Family Expenditures (para. 7)
- Belarus Looking For Contractor to Build Nuclear Plant (para. 8)

International Trade

- Belarusian Trade Deficit on the Rise (para. 9)
- Poultry Market Still Closed to Foreign Producers (para. 10)

Quote of the Week (para. 11)

Civil Society

¶12. Gomel Opposition Activist Obliged To Pay Income Tax

On June 4, a Gomel district court obliged Belarusian Christian Democracy party member Konstantin Zhukovskiy to pay 2,115,000 rubles (USD 990) in income taxes. The tax inspection sued Zhukovskiy for expenditures purportedly exceeding his total income in five years. The verdict followed a fine of 1,750,000 rubles (USD 820) imposed on Zhukovskiy for alleged receipt of foreign assistance from relatives in Ukraine.

¶13. Prominent Opposition Activist Jailed

Prominent opposition activist and historian Vyacheslav Sivchik was sentenced to ten days in jail on June 4. He was charged June 3 with participation in an unsanctioned demonstration in Kurapaty, the site of Stalinist mass massacre on the outskirts of Minsk. Civil society and opposition members held a ceremony to unveil a plaque and commemorate the twentieth anniversary of the discovery of the Kurapaty site. The police prohibited activists from installing an information stand featuring a map of the site.

¶14. Opposition Leader Denied A Travel Ban Appeal

On June 2, a Minsk district court denied United Civic Party leader Anatoly Lebedko's appeal of the travel ban against him. In placing

Lebedko on the ban list, the Interior Ministry cited an ongoing criminal investigation against him. The court dismissed the appeal, noting that it is the Ministry's responsibility to examine the complaint. Lebedko maintained that he will appeal to the city and Supreme courts.

15. Soligorsk Malady Front Leader Dismissed From School

A Soligorsk High School administration expelled local Malady Front leader Ivan Shylo on June 4 on the eve of his final graduation exam. City education authorities alleged that Shylo violated the school's regulations prohibiting participation in unsanctioned rallies. The school's principal resigned in protest, and the vice-principal was fired following her refusal to voluntarily expel Shylo.

16. Political Prisoner Denied Jail Sentence Appeal

On May 30, a Minsk city court denied political prisoner Sergey Parsyukevich's appeal of his 2.5-year prison term. His lawyer, Vera Stremkovskaya, called the verdict "disappointing" and maintained that Parsyukevich's case contained numerous legal violations. According to his wife, Parsyukevich was denied proper medical treatment in jail and will be transferred to a prison in Shklov, Mogilev Oblast, to serve his sentence.

Domestic Economy

17. Break-Down of Average Belarusian Family Expenditures

The Statistics Ministry reported on June 3 that the average Belarusian family monthly expenditures in the first quarter were 960 thousand Belarusian rubles (USD 450). The Ministry randomly examined a number of households' spending patterns and discovered that average spending on food was 41.1 percent, consumer goods 33.3 percent, services 23.3 percent, and utilities 8.9 percent. The Ministry highlighted that alcohol expenditures comprised 2.3 percent of spending.

18. Belarus Seeks Contractor to Build Nuclear Plant

Deputy Energy Minister Mikhail Mikhadiuk told parliament on June 4 that the government had approached the world's leading contractors to solicit their interest in building Belarus' first nuclear power plant. According to Mikhadiuk, the American-British-Japanese conglomerate Westinghouse-Toshiba and French-German AREVA are unlikely to join the project due to political reasons. Mikhadiuk indicated that Russian Atomstroyexport appears the most likely partner to build the plant, and it plans to commission the first structure of the 2000 Mwt plant to open in 2016 and the second one in 2018.

International Trade

19. Belarus' Trade Deficit on the Rise

The Statistics Ministry reported June 3 that the country's commodity trade deficit through April was USD 1.3 billion as compared with USD 1.15 billion a year ago. Belarus' exports to the CIS, Russia and countries outside CIS grew by 56.6 percent, 44.8 percent and 73.1 percent, respectively. Its imports increased from the CIS by 72 percent, Russia 74.7 percent, and countries outside the CIS 31.9 percent. The country's largest deficit was in trade with Russia, which totaled USD 4.2 billion.

10. Poultry Market Still Closed to Foreign Producers

According to Prime-Tass news service, Presidential Edict 305 signed on June 5 extends for another nine months a 45 percent import tariff on poultry meat. The edict is aimed at protecting domestic markets for local producers. Currently, they have 87 percent of the market.

Quote of the Week

¶11. Chairperson of the Central Election Committee, Lidiya Yermoshina, on June 5 commenting on the assumption that the authorities will secure a few seats for opposition politicians in the new parliament:

"I am not a part of the authorities and I know nothing about [such a plan]. Moreover, I do not know who will run for office or what 'secure' means. To support and help [candidates] - those are rights enjoyed by the authorities, the opposition and any other political force. I believe local authorities will support those politicians whose convictions they share."

Savage
Leader